

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

C O N F I D E N T I A L STATE 084585

FOR LOS TEAM

FOLLOWING REPEAT QUITO 2671 ACTION SECSTATE 21 APR.

QUOTE

C O N I D E N T I A L QUITO 2671

FOR THE UNDERSECRETARY FOR POLITICAL AFFAIRS FROM THE AMBASSADOR

EMO. 11652: GDS

TAGS: MASS, PFOR, EFIS, EC, US

SUBJECT: ASSISTANCE TO THE ECUADOREAN NAVY

REFS: A) STATE 79712; B) STATE 70165; C) QUITO 1798

1. SUMMARY: THE PURPOSE OF THIS MESSAGE IS TO SUMMARIZE THE BACKGROUND OF PROPOSALS TO ASSIST THE ECUADOREAN NAVY, OUTLINE WHAT WE THINK SUCH ASSISTANCE WOULD ACHIEVE, AND ATTEMPT TO ANTICIPATE WHAT WE THINK WOULD HAPPEN IF THE DECISION TO HELP THE GOE NAVY WERE NOW REVERSED. THE MESSAGE CONCLUDES THAT TO EXTEND SUCH ASSISTANCE WOULD CONTRIBUTE TO BOTH THE OVERALL IMPROVEMENT OF RELATIONS WHICH BOTH SIDES ARE SEEKING AS WELL AS ADVANCING THE INTERESTS OF OUR FISHERMEN. DENIAL OF SUCH
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ASSISTANCE AT THIS STAGE WOULD BE A SET BACK TO OUR BI-LATERAL RELATIONS WHICH COULD LIKELY ENDANGER THE PROSPECTS FOR FISHING TALKS, INCREASE THE LIKELIHOOD OF SEIZURES AND POSSIBLY JEOPARDIZE EVEN LARGER US INTERESTS IN ECUADOR. END SUMMARY

2. I APPRECIATED YOUR MESSAGE OF APRIL 18 CONTAINED IN REF A AND WAS GRATIFIED TO LEARN OF YOUR COMMITMENT TO BUILDING A RELATIONSHIP OF MUTUAL COMPREHENSION AND COOPERATION WITH ECUADOR. SINCE THERE WILL BE FURTHER CONSIDERATION OF THIS MATTER IN THE DEPARTMENT IN THE DAYS AHEAD, I THOUGHT IT WOULD BE USEFUL TO RECAPITULATE THE BACKGROUND LEADING TO THE DECISION TO ASSIST THE GOE NAVY, SUMMARIZE WHAT WE BELIEVE SUCH A STEP WOULD ACHIEVE, AND OUTLINE THE CONSEQUENCES WE BELIEVE WOULD FLOW FROM A REVERSAL OF THAT DECISION.

3. AS REPORTED IN REF C, SOON AFTER MY ARRIVAL HERE SEVEN MONTHS AGO IT BECAME EVIDENT IN A VARIETY OF WAYS THAT THE GOE WAS SINCERELY INTERESTED IN IMPROVING ITS RELATIONS WITH THE UNITED STATES. AGAINST THE BACKGROUND OF THIS DESIRE AND THE CONTINUED ABSENCE SINCE FEBRUARY 10, 1973, OF ECUADOREAN SEIZURES OF AMERICAN FISHING BOATS, THE USG MOVED ON DECEMBER 11, 1973, TO WAIVE THE AID DEDUCTIONS PROVIDED FOR IN THE FISHERMAN'S PROTECTIVE ACT OF 1967 (AS AMENDED IN 1972) AND ON JANUARY 21 TO LIFT THE PROHIBITION ON MILITARY SALES. ON FEBRUARY 22 THE GOE, BY PAYING \$1,078,521.56 TO SETTLE ITS 1968 MILITARY PURCHASE DEBTS, REMOVED THE CONDITION WHICH WE HAD PLACED ON AN OTHER THAN CASH-IN-ADVANCE BASIS TO THE RESUMPTION OF THE MILITARY SUPPLY AND TRAINING RELATIONSHIPS WITH ECUADOR WHICH HAD BEEN SEVERED IN JANUARY 1971.

4. TWO OF THE ECUADOREAN SERVICES (THE AIR FORCE AND ARMY) WERE PROMPT IN FORMALLY MAKING THEIR EQUIPMENT NEEDS KNOWN AND WE RESPONDED WITH OFFERS TO SEND STUDY TEAMS TO ECUADOR FROM OUR RESPECTIVE SERVICES TO EXAMINE THESE REQUESTS IN DETAIL. THE AIR FORCE SURVEY TEAM IS IN QUITO NOW, HAVING ARRIVED ON APRIL 16. A DEPARTMENT OF ARMY TEAM IS SCHEDULED TO COME ON MAY 6.

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5. THE CASE OF THE ECUADOREAN NAVY (EN) EVOLVED IN A COMPLETELY DIFFERENT WAY. RATHER THAN SUBMITTING A REQUEST FOR EQUIPMENT, ECUADOREAN CNO RADM VASQUEZ DECIDED TO PRESENT HIS NEEDS FORMALLY AND DIRECTLY IN WASHINGTON TO ADMIRAL ZUMWALT ON FEBRUARY 12. IN RETROSPECT IT IS CLEAR THAT RADM VASQUEZ THOUGHT THAT THE TIME WAS PROPITIOUS; HE EXPECTED THAT WE WOULD RECOGNIZE THAT A YEAR HAD PASSED WITHOUT SHIP SEIZURES, THAT THE FMS SANCTION WOULD AUTOMATICALLY EXPIRE, AND THAT THE WAY WAS OPEN TO A MEANINGFUL RELATIONSHIP WITH THE USN. IN FACT, THE TIMING OF HIS VISIT COULD NOT HAVE BEEN WORSE: HIS OWN ABASSADOR WAS OUT OF WASHINGTON AT THE TIME; WE HAD JUST LIFTED FMS SANCTIONS; AND WE HAD NOT YET STUDIED ECUADOREAN NAVY NEEDS IN DETAIL. RADM VASQUEZ WENT AWAY FROM WASHINGTON DISAPPOINTED, ALMOST

EMBITTERED, WITH THE LACK OF RESULTS OF HIS VISIT.

6. I SUBSEQUENTLY RECOMMENDED TO WASHINGTON THAT A GREATER EFFORT BE MADE TO RESPOND TO THE ECUADOREAN NAVY'S NEEDS AND THAT A FIRM COMMITMENT BE MADE TO SELL THEM TWO US DESTROYERS, THE FIRST TO BE DELIVERED BEFORE THE END OF THIS CALENDAR YEAR AND THE SECOND TO BE DELIVERED ONE YEAR OR LESS AFTER THE FIRST (REF C).

7. MY PRIORITY ON PROMPT ASSISTANCE TO THE ECUADOREAN NAVY AND THE RECOMMENDATION TO SELL THEM TWO DESTROYERS WERE BASED ON SEVERAL CONSIDERATIONS. FOREMOST WAS THE FACT THAT THE EN HAS A PREDOMINANT VOICE IN THIS MILITARY GOVERNMENT ON THE ISSUES WHICH MOST DIRECTLY AFFECT OUR BILATERAL INTERESTS, NAMELY FISHERIES AND LOS. MOREOVER, THE MINISTER OF NATURAL RESOURCES, WHO HAS A DECISIVE VOICE IN THIS COUNTRY'S PETROLEUM POLICY IS A NAVY CAPTAIN AND HIS UNDERSECRETARY FOR FISHERIES IS A NAVY COMMANDER. THE NEXT RANKING OFFICIAL IN THIS GOVERNMENT AFTER THE PRESIDENT, THE MINISTER OF GOVERNMENT, ALSO HAPPENS TO BE AN ADMIRAL.

8. ANOTHER RELATED FACTOR WAS THE ROLE OF THE ECUADOREAN NAVY IN IMPLEMENTATION OF ECUADOR'S LOS POLICY. IN THIS REGARD WE WERE IMPRESSED BY THE FACT THAT THERE HAD BEEN NO RPT NO SEIZURES OF OUR FISHING VESSELS SINCE FEBRUARY 10, 1973.
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WHILE WE COULD NOT ATTRIBUTE THIS FACT TO THE NAVY ALONE, WHICH IS RESPONSIBLE FOR ENFORCING THE CLAIMED 200 MILE LIMIT, WE COULD NOT DISCOUNT THE POSSIBILITY, INDEED PROBABILITY, THAT SUCH RESTRAINT MUST AT LEAST IN PART HAVE BEEN ATTRIBUTABLE TO VOICES WITHIN THE NAVY COUNSELLING MODERATION. IN ANY EVENT, IT APPEARED HIGHLY DOUBTFUL THAT THE GOE COULD HAVE PURSUED A POLICY OF NO RPT NO SEIZURES FOR MORE THAN 14 MONTHS WITHOUT THE CONSENT OF ITS RANKING NAVY OFFICERS.

9. FOR THE FOREGOING REASONS WE CONCLUDED THAT THE EXTENT TO WHICH WE MET THE ECUADOREAN NAVY'S NEEDS FOR SHIPS AND REESTABLISHED CORDIAL RELATIONS BETWEEN OUR RESPECTIVE NAVIES WOULD HAVE A SIGNIFICANT EFFECT ON OUR ABILITY TO DEAL EFFECTIVELY WITH FISHERIES AND LOS PROBLEMS.

10. WASHINGTON'S RESPONSE TO OUR RECOMMENDED COURSE OF ACTION WAS HIGHLY ENCOURAGING. ADMIRAL ZUMWALT'S OFFICE CONDUCTED A THOROUGH REVIEW OF SHIP AVAILABILITIES AND, UPON COMPLETION OF THIS REVIEW, CONVEYED TO US A FORTHCOMING LETTER FROM ADMIRAL ZUMWALT TO RADM VASQUEZ TO BE DELIVERED SUBJECT TO MY CONCURRENCE (CNO 061548Z). I RECEIVED A PARALLEL COMMUNICATION FROM THE DEPARTMENT

AUTHORIZING ME TO CONVEY THE LETTER IF I THOUGHT PROVISION OF SHIPS WOULD FACILITATE RESOLUTION OF THE SEIZURE PROBLEM AND IF IN MY JUDGEMENT THE GOE WAS NOT SIMPLY STALLING ON OPENING FISHING TALKS (REF B). THE SAME INSTRUCTION ASKED ME TO ADVISE THE DATE ON WHICH I PLANNED TO DELIVER THE CNO'S LETTER. I RESPONDED TO THE DEPARTMENT THAT IT WAS MY JUDGEMENT THAT THE GOE WAS PREPARED TO PROCEED WITH DISCUSSIONS ON AN ASSOCIATION AGREEMENT (QUITO 2439). IN THAT SAME MESSAGE, I PROPOSED TO INFORM RADM VASQUEZ THAT I WOULD BE IN TOUCH WITH HIM ON APRIL 15 TO REQUEST AN APPOINTMENT LATER THAT WEEK TO DELIVER THE CNO'S LETTER, THAT IT WAS A POSITIVE REPLY AND THAT, IN ADDITION TO THE DAO AND NAVATT, I WOULD BE ACCOMPANIED BY COMNAVSOUTH, RADM BLOUNT. I ALSO REQUESTED THAT, IF THE DEPARTMENT'S ASSESSMENT OF GOE INTENTIONS ON THE FISHING TALKS DIFFERED FROM MINE OR IF IT PERCEIVED ANY PROBLEMS WITH THE COURSE OF

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ACTION OUTLINED, I BE SO INFORMED PRIOR TO APRIL 11.

11. ACCORDINGLY, ON THE AFTERNOON OF APRIL 10, I ARRANGED FOR AN APPOINTMENT WITH RADM VASQUEZ TO TAKE PLACE ON APRIL 17. IN CONFIRMING THE APPOINTMENT BY LETTER I INDICATED TO VASQUEZ THAT I WOULD BE DELIVERING A "POSITIVE RESPONSE" FROM ADMIRAL ZUMWALT. I INFORMED THE DEPARTMENT OF THIS (QUITO 2437). SUBSEQUENTLY, IN A MESSAGE RECEIVED HERE 0850 EST APRIL 11, THE DEPARTMENT INSTRUCTED ME NOT TO CONTACT RADM VASQUEZ PENDING FURTHER INSTRUCTIONS (STATE 73311). AND ON APRIL 12 WE RECEIVED AN INSTRUCTION STATING THAT THE DEPARTMENT HAD DECIDED TO INFORM THE US TUNA INDUSTRY OF OUR DECISION IN PRINCIPLE TO OFFER VESSELS TO THE ECUADOREAN NAVY, AND, IN ORDER TO PROVIDE TIME FOR THIS CONSULTATION I WAS INSTRUCTED TO POSTPONE MY MEETING WITH RADM VASQUEZ UNTIL APRIL 19 (STATE 75380). THE APPOINTMENT WAS RESCHEDULED AS INSTRUCTED AND ADMIRAL BLOUNT ADJUSTED HIS TRAVEL PLANS ACCORDINGLY.

12. THE REST OF THE STORY IS OF COURSE FRESH IN YOUR MIND AND CONTAINED IN YOUR MESSAGE TO ME (REF A). THE TUNA INDUSTRY EXPRESSED OPPOSITION AND THE DEPARTMENT DECIDED WE SHOULD POSTPONE DELIVERY OF OUR CNO'S LETTER UNTIL COMPLETION OF CONGRESSIONAL CONSULTATIONS LATE WEDNESDAY, APRIL 24. ACCOMPANIED BY ADMIRAL BLOUNT, I SAW VASQUEZ APRIL 19 AND HE TOOK OUR EXPLANATIONS OF A FURTHER DELAY IN DELIVERY OF ZUMWALT'S LETTER AMAZINGLY WELL.

13. I WANT TO EMPHASIZE MY FIRM CONVICTION THAT THE CONSIDERATIONS WHICH LED TO OUR ORIGINAL RECOMMENDATION OF ASSISTANCE TO THE ECUADOREAN NAVY REMAIN AS VALID

TODAY AS THEY WERE BEFORE. THE NAVY IS IMPORTANT NOT ONLY AS A MILITARY INSTITUTION BUT BECAUSE OF ITS KEY ROLE IN BILATERAL ISSUES OF CONCERN TO THE US. I THINK THIS IS A TURNING POINT IN OUR RELATIONS HERE AND AN OFFER OF WORLD WAR II DESTROYERS WILL ENHANCE OUR BILATERAL RELATIONS IN GENERAL AND OUR FISHING INTERESTS IN PARTICULAR. CLEARLY, ONCE THE NAVY IS IN OUR DEBT WITH RESPECT TO VESSELS -- VESSELS WHICH WILL NOT BE OPERATION-
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AL UNTIL THE END OF THE YEAR AT THE EARLIEST -- IT WILL HAVE EVEN LESS OF AN INTEREST THAN IT DOES NOW IN STIRRING UP TROUBLE WITH OUR FISHERMEN, THEREBY RUNNING THE RISK OF DELAYS IN ASSISTANCE AND EVEN POSSIBLY OF REIMPOSED FMS SANCTIONS.

14. IF, ON THE OTHER HAND, WE FALL BACK AND DECIDE AGAINST SUCH AN OFFER, I THINK THE CONSEQUENCES WOULD BE DAMAGING BOTH TO OUR OVERALL RELATIONS AND TO OUR FISHING INTERESTS. IN THE FIRST INSTANCE, SUCH ACTION WOULD SURELY ADVERSELY AFFECT GOE ATTITUDES TOWARDS US. THEY WOULD INTERPRET SUCH A STEP AS A PARTIAL SANCTION. THEY MIGHT UNDER SUCH CIRCUMSTANCES RECONSIDER THEIR DESIRE TO MAKE ANY ARMY OR AIR FORCE PURCHASES FROM US, ALTHOUGH I AM INCLINED TO DOUBT THIS. THEY WOULD, HOWEVER, PROBABLY RECONSIDER THEIR WILLINGNESS TO ENGAGE IN FISHING TALKS; AND, GIVEN THE NAVY'S IMPORTANCE IN LOS POLICY AND ITS SENSITIVITIES, SUCH A STEP WOULD SIGNIFICANTLY INCREASE THE LIKELIHOOD OF RENEWED FISHING SEIZURES. FINALLY, SUCH A STEP COULD IN THE LONGER TERM COLOR GOE ATTITUDES TOWARDS LARGER US INTERESTS HERE, NAMELY OUR SUBSTANTIAL PETROLEUM INVESTMENT. IN SUM, REVERSING OURSELVES NOW COULD REVERSE THE GENERALLY FAVORABLE EVOLUTION IN OUR RELATIONS OF THE PAST MONTHS, AND IT IS DIFFICULT FOR ME TO FORESEE AT WHAT POINT IN THE FUTURE WE MIGHT AGAIN HAVE AN OPPORTUNITY TO RECOUP SUCH LOSSES.

15. WITH SPECIFIC REFERENCE TO OUR TUNA INTERESTS AND THEIR FRIENDS IN CONGRESS, I THINK THEY WOULD HAVE MUCH TO LOSE WERE WE TO ADOPT A NEGATIVE ATTITUDE TOWARDS THE NAVY'S REQUEST FOR ASSISTANCE; WHEREAS A POSITIVE RESPONSE IS LIKELY TO ENSURE AT LEAST THE STATUS QUO OF NO SEIZURES AND PROBABLY THE PROSPECTS FOR FISHING TALKS AS WELL. I MIGHT ADD HERE THAT THERE ARE ON OCCASION MISPERCEPTIONS AS TO THE ROLE PLAYED BY NAVAL VESSELS IN THE CAPTURE OF FISHING VESSELS. THE KEY ELEMENT IN PATROLLING THE SEAS OFF ECUADOR'S COAST ARE SMALL, NON-MILITARY CESSNA SPOTTER PLANES WHICH MAKE DAILY PATROLS. IF THEY SPOT A PURSE SEINER WITH ITS NETS DOWN, IT IS A SITTING DUCK FOR PRACTICALLY ANY KIND OF VESSEL, EVEN A TUG-BOAT, SINCE IT WOULD BE TOO COSTLY TO MAKE A RUN
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FOR IT IN TERMS OF POSSIBLE LOSS OF NETS WORTH AS MUCH
AS 600 THOUSAND DOLLARS. IN ANY EVENT, NOW THAT THE
ECUADOREANS HAVE THREE HIGH SPEED GERMAN PATROL BOATS
AND THREE MORE ON ORDER, THEY WOULD BE FAR MORE LIKELY
TO USE THESE TO PICK UP OUR TUNA BOATS THAN SLOWER MOVING
DESTROYERS WHICH ARE ALSO MORE COSTLY TO OPERATE. SO EVEN THOUGH
OUR TUNA INDUSTRY MAY MAKE A PSYCHOLOGICAL ASSOCIATION BETWEEN
POTENTIAL SEIZURES AND WHAT VESSELS WE OFFER THE NAVY, IN
ACTUAL FACT THERE IS NO REAL CONNECTION AT ALL.

16. I HOPE THE FOREGOING DISCUSSION PROVES TO BE OF USE
TO YOU AND OTHERS CONCERNED IN THE DEPARTMENT.

BREWSTER

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